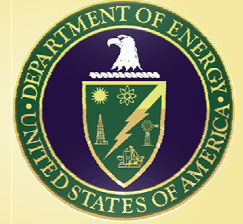




DER-CAM & SEDS



Optimizing Building Energy Use: A Systemic Approach

by

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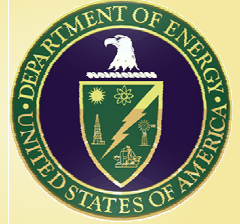
other team members: Hirohisa Aki, Inês Lima Azevedo, Sam Borgeson, Brian Coffey,
Ryoichi Komiyama, Kristina LaCommare, Judy Lai, & Afzal Siddiqui

28 Oct 2008

U.S. Dept. of Energy, Washington DC



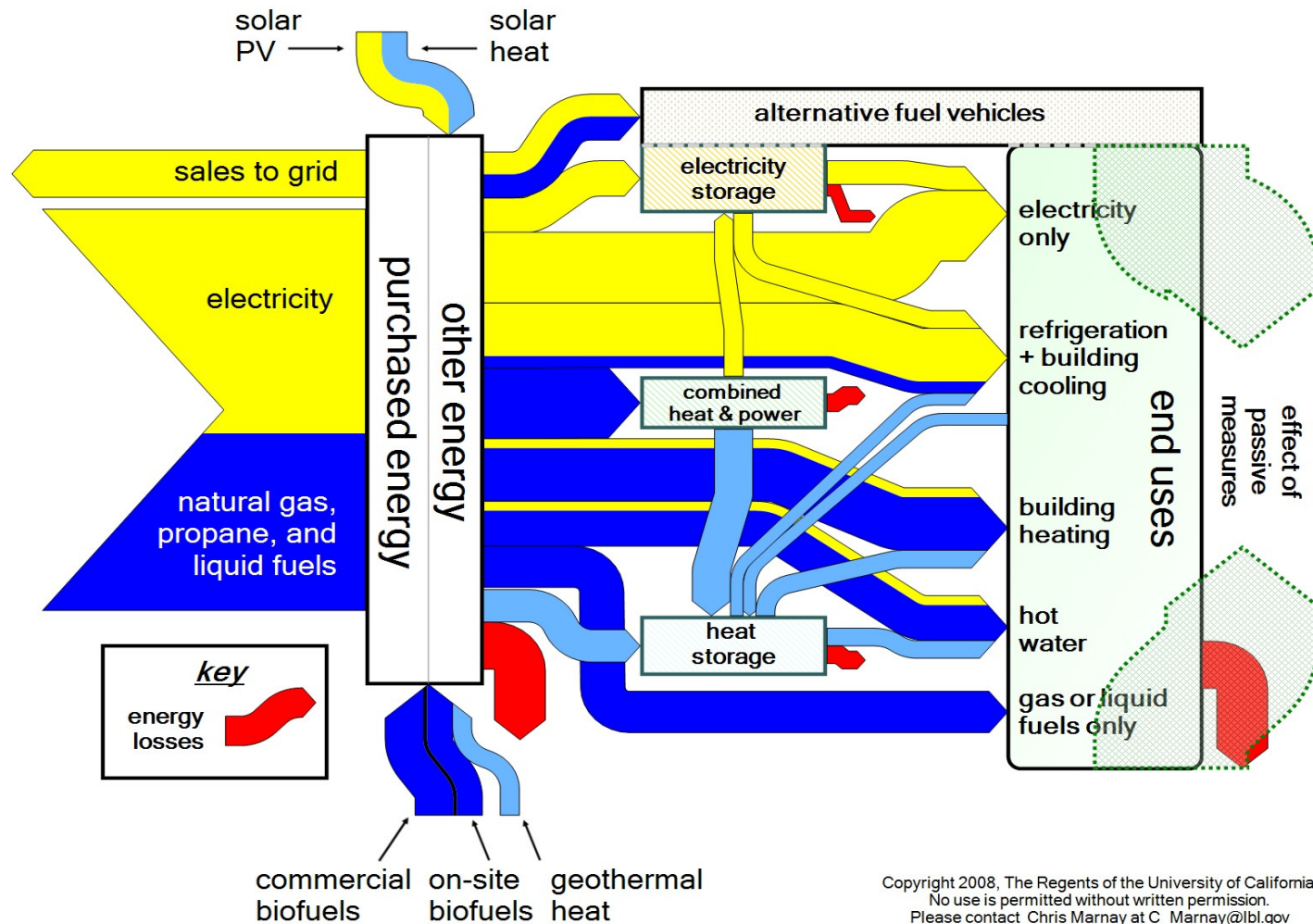
Outline



- systemic analysis of building energy systems
- executive summary
- Distributed Energy Resources Customer Adoption Model (DER-CAM)
- Stochastic Energy Deployment System (SEDS)
- conclusions and future work



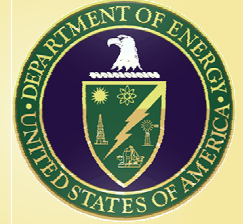
Global Concept



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Exec. Summary



systemic approach applied in two distinct models:

Distributed Energy Resources Customer Adoption Model

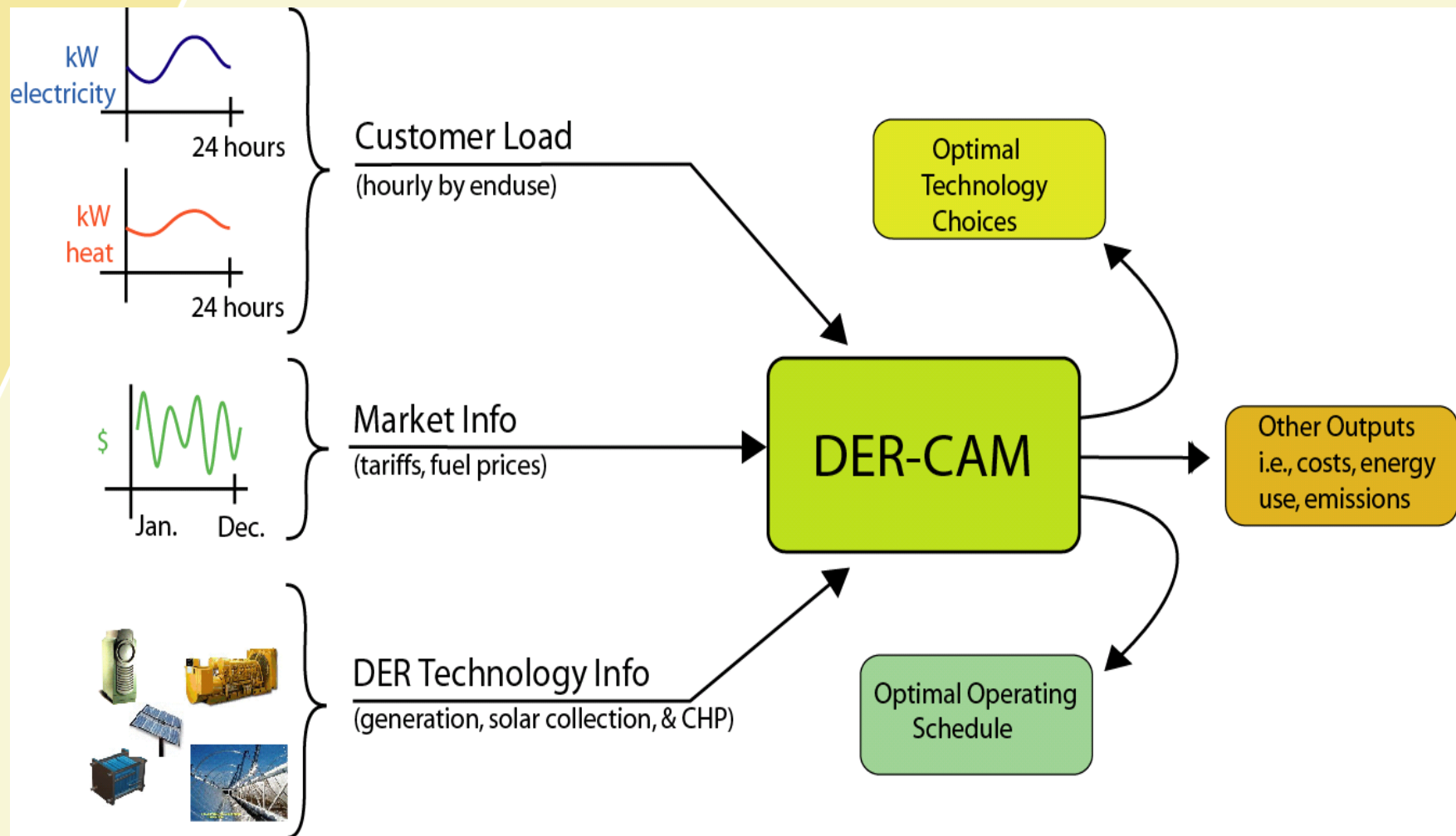
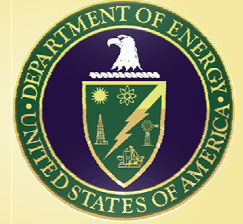
- given hourly end-use requirements, DER-CAM produces pure technology neutral optimal results and schedules
- can find optimal installation & use of storage
- reveals cost-carbon abatement trade-off curve and optimal ZNEB solutions
- requires extension into demand-side, financials, etc.

Stochastic Energy Deployment System

- Berkeley Lab has built the SEDS Lite Buildings Module
- and can conduct rudimentary analyses of PV and SSL

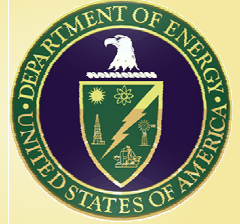


DER-CAM Logic





What is DER-CAM?



- Mixed Integer Linear Program (MILP), written in the General Algebraic Modeling System (GAMS®)
- minimizes annual energy costs (or carbon emissions or multiple objectives) of providing services on a microgrid level (typically buildings with 250-2000 kW peak)
- produces technology neutral pure optimal results with highly variable run times
- used for more than 5 years by Berkeley Lab and under license by researchers in the US, Germany, Spain, Belgium, Japan, and Australia
- potentially commercialized



Biz Case Project



- find value of electrical+heat storage paired with CERTS Microgrid (CM) power quality and reliability (PQR)
- inverter-based variable speed internal combustion engine genset (CM-100) with CM, surge (125 kW), and CHP
- designated sensitive load supplied during grid disturbance
- 6 example buildings: paired CA & NY nursing homes, schools, and data centers



Available Equipment



discrete

	CM-100	fuel cell
capacity (kW)	100	200
sprint capacity	125	
installed costs (\$/kW)	2400	5005
with heat recovery (\$/kW)	3000	5200
variable maintenance (\$/kWh)	0.02	0.029
efficiency (% HHV)	26	35
lifetime (a)	20	10

only integer installations

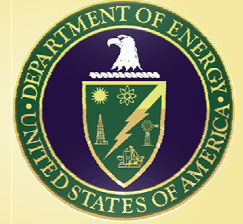
continuous

fixed unavoidable costs

	electrical storage (lead acid)	thermal storage	flow battery	absorption chiller	solar thermal	PV
intercept costs (\$)	295	10000	0	20000	1000	1000
capacity (\$/kW or \$/kWh)	193	100	2125/220	127	500	6675
lifetime (a)	5	17	10	15	15	20



Tecogen 100+ kW Gensets





NY Nursing Home Rslts.



at current
technology
costs

	A	B	C	D	E
	do-nothing	invest in all technologies	low storage costs and PV incentive of 2.5\$/W	force low storage / PV and solar thermal results	low storage and PV costs (PV incentive 60%)
equipment					
CM-100 with HX (kW)		0	0	0	0
abs. chiller (kW in terms of electricity)		100	112	112	112
solar thermal collector (kW)		1438	2350	2350	2350
PV (kW)		0	0	0	0
electric storage (kWh)		0	294	n/a	294
thermal storage (kWh)	n/a	0	4862	n/a	4862
annual costs (k\$)					
Total	1195.5	1161.27	1148.6	1178.56	1148.6
% savings compared to do nothing	n/a	2.86	3.92	1.42	3.92
annual energy consumption (GWh)					
electricity	6.02	5.9	5.95	5.82	5.95
NG	7.14	5.24	3.5	4.82	3.5
annual carbon emissions (t/a)					
emissions	1555.23	1439.26	1361.49	1402.2	1361.49
% savings compared to do nothing	n/a	7.46	12.46	9.84	12.46

marginal carbon
emission rate
ConEd: 200g/kWh

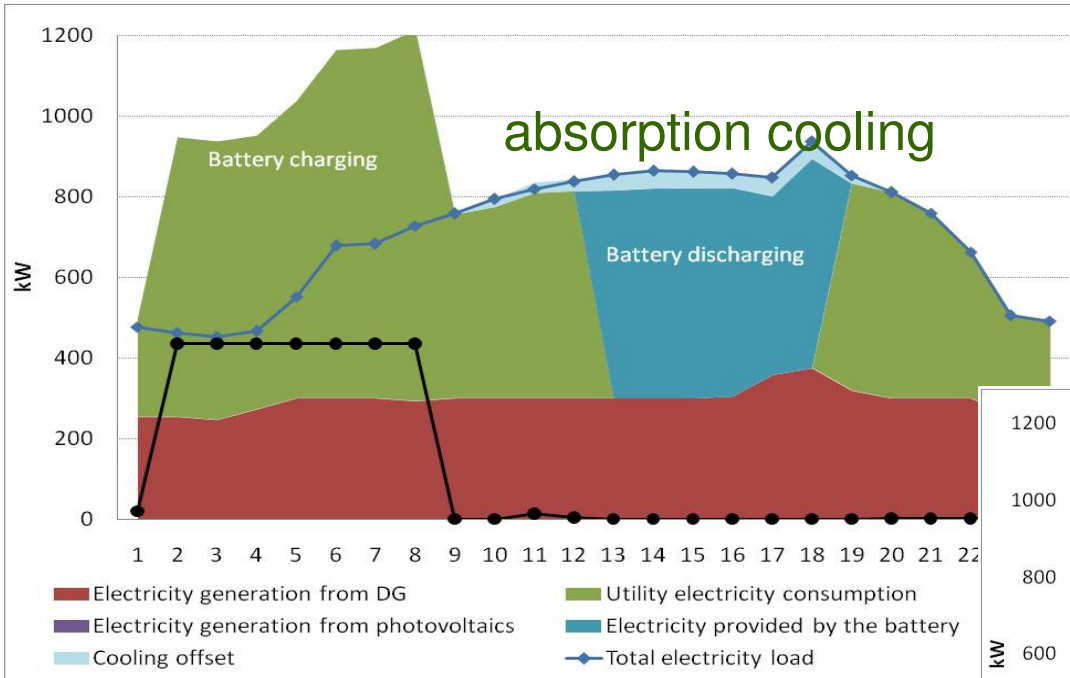
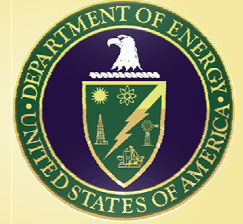
ICE and PV is
not an option

11 times bigger
than in CA!

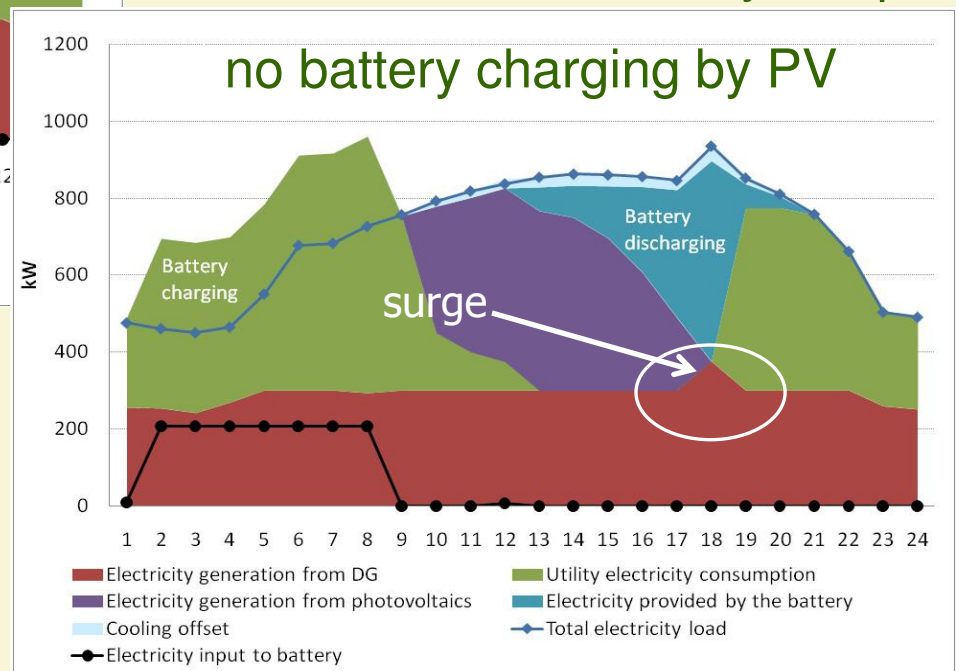
storage adoption is
inverse to the CA



CA Nursing Home Rslts.

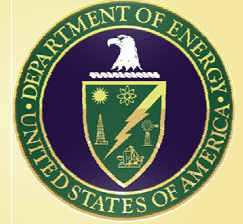


Case E: July Weekday Diurnal Electricity Shape





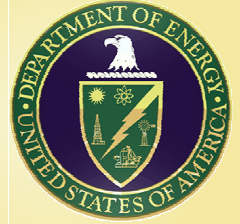
Biz Case Storage I



- NY nursing home and school with flat electricity tariffs and higher natural gas prices show
 - less electric storage and ICE adoption
 - but more solar thermal adoption despite less solar insolation
 - tariff is most influential factor (TOU and demand charges in CA versus almost flat tariffs in NY)
- storage inefficiencies and constant marginal emissions cause higher carbon emissions
- problem worse if coal is marginal off-peak, e.g. SoCal school



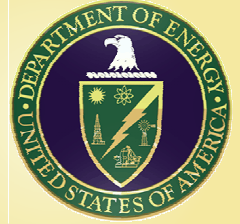
Biz Case Storage II



- storage technologies not attractive at current price levels
- applying lower storage costs, the CA examples show electricity storage adoption driven by on-peak purchase avoidance
- storage systems are charged by cheap off-peak electricity i.e. they compete with PV
- PV is not an *economic* option to charge electric storage, even at price levels 60% lower than today's prices



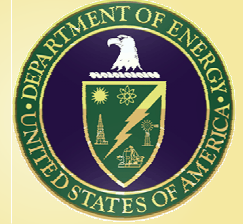
PQR Effect



- CM power quality and reliability (PQR) adds customer value but its valuation is uncertain (visceral?)
- PQR value of technologies varies
 - CM-100's have high known availability
 - PV is intermittent
 - batteries might not be fully charged
 - lead-acid batteries can only be discharged to 30%
 - etc., ...
- 6 example buildings: paired nursing homes, schools, and data centers in CA & NY
 - assumed added cost of 25 \$/kW and switch, 100 \$/kW
 - found value of PQR that balances with *invest* case



Sensitive Load Contrib.



technology	contributes	probability
CM-100	yes	0.90
fuel cell	yes	0.90
electricity storage	yes	0.15 to 0.21 (southern CA school)
heat storage	no	n/a
flow battery	yes	1.0
abs. chiller	no	n/a
PV	yes	0.18 (NY examples) to 0.22 (southern CA School)
solar thermal	no	n/a



PQR Results I



sensitive load

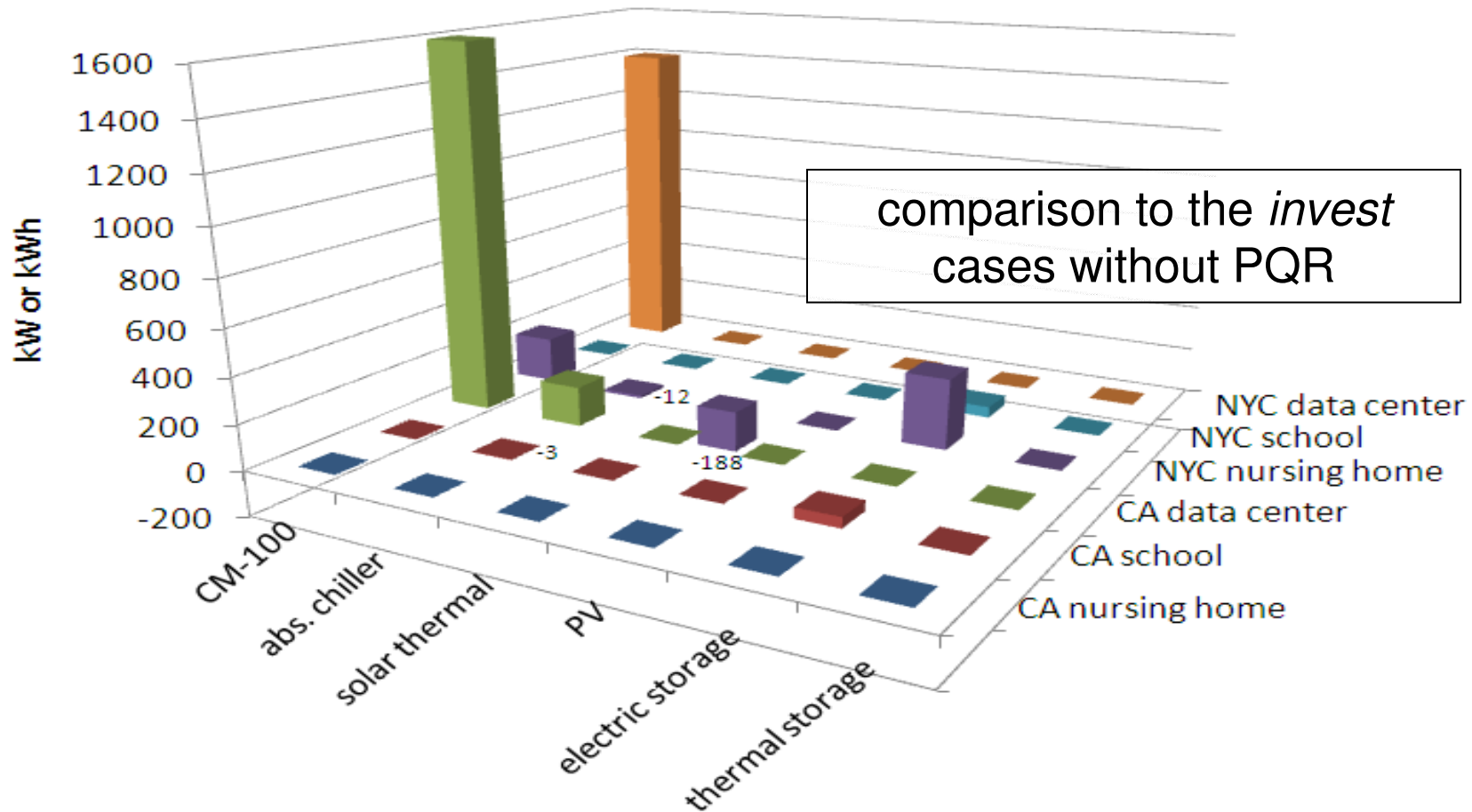
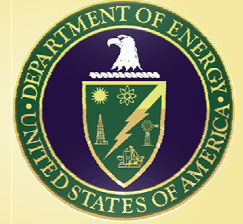
		benefit (\$/kW)	base (%)	peak (%)
C A	nursing home	<25	50	10
	school	<25	25	0
	data center	125	100	100
N Y	nursing home	<25	50	10
	school	<25	25	0
	data center	200	100	100

adoption compared to the *invest* cases

change	CA nursing home	CA school	CA data center	NYC nursing home	NYC school	NYC data center
CM-100 (kW)	0	0	1600	200	0	1400
abs. chiller (kW)	0	-3	175	-12	0	0
solar thermal (kW)	0	0	0	-188	0	0
PV (kW)	0	0	0	0	0	0
electric storage (kWh)	0	47	0	311	48	0
thermal storage (kWh)	0	0	0	0	0	0

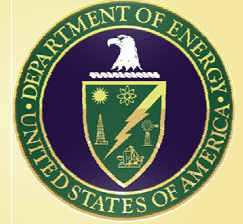


PQR Results II





Demand-Side Measures



demand measures are characterized by the:

- costs of reducing 1 kW of load (\$/kW)
- max. potential of **load** reduction (%), and
- annual time limit (h of behavioral change or technical limit)

Electricity	VariableCost (\$/kW)	MaxContribution (%)	MaxHours (hours)
low	0.00	30	4380
mid	0.06	10	8760
high	1.00	5	760

assumed data used here
→ refinement possible

heating measure costs for “mid”
are assumed to be slightly less
than, and for “high” slightly higher
than, PG&E NG costs

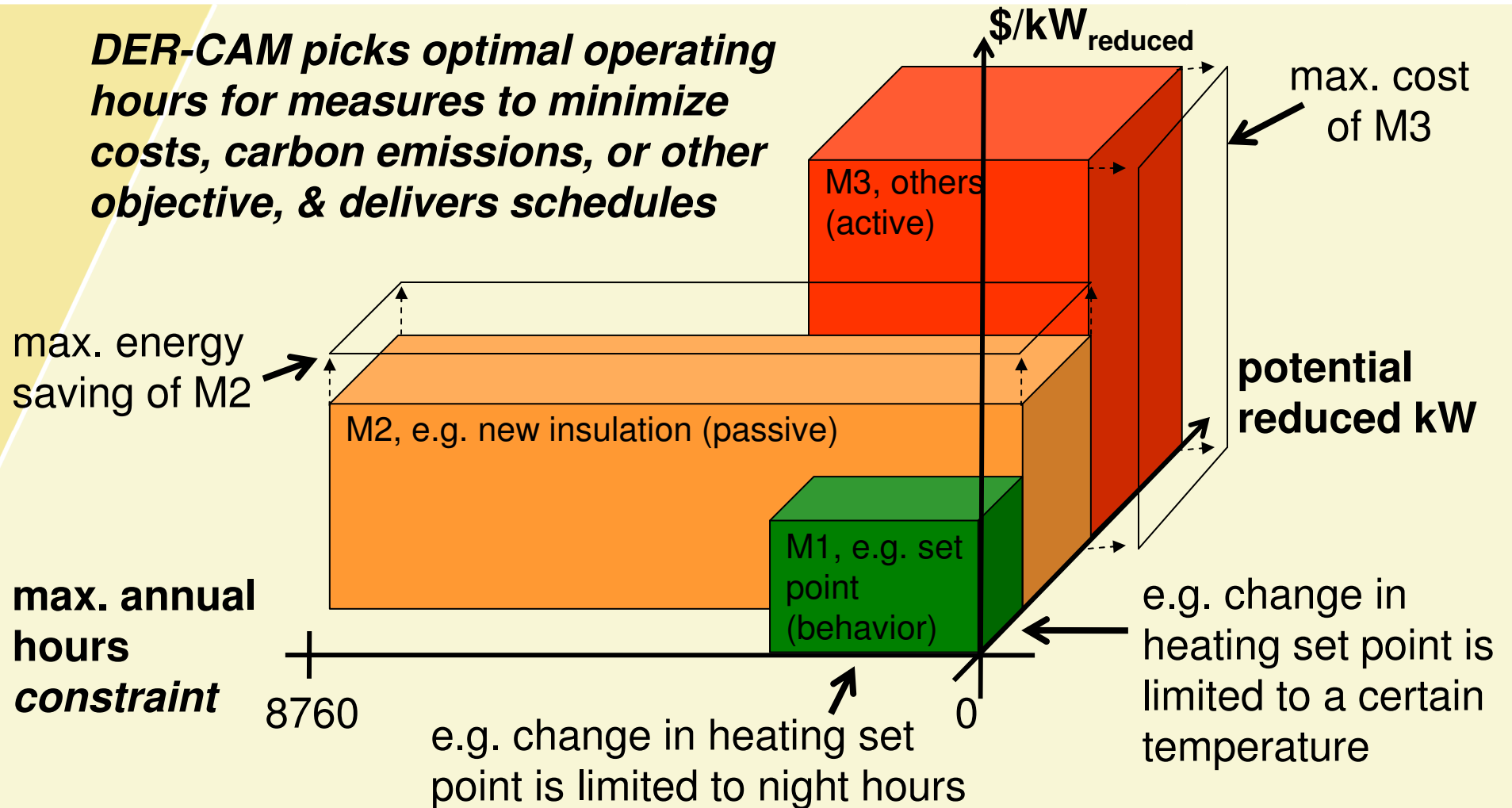
Heating	VariableCost (\$/kW)	MaxContribution (%)	MaxHours (h)
low	0.00	30	1095
mid	0.03	20	8760
high	0.05	10	8760



Dmd. Measure Potential

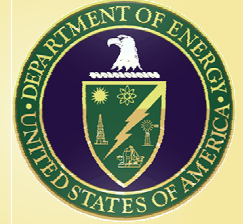


DER-CAM picks optimal operating hours for measures to minimize costs, carbon emissions, or other objective, & delivers schedules





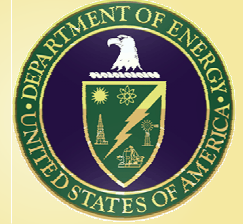
Zero Net Energy Bldgs.



- ZNEB constraint: purchased energy = sold energy
- energy must be in common units (heat equivalent)
- footprint constraint: the possible space for PV and solar thermal adoption must be restricted
- multiple possible minimization objectives:
 - total energy bill
 - carbon emissions
 - combination, or other ...
- consideration of demand response measures:
 - load shifting measures represented by storage, and
 - load reduction measures represented by abstract “low”, “mid”, and “high” measures for electricity-only and heating loads.



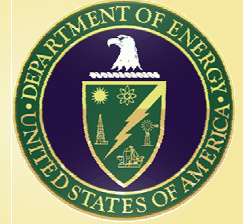
CA Nursing Home Equip.



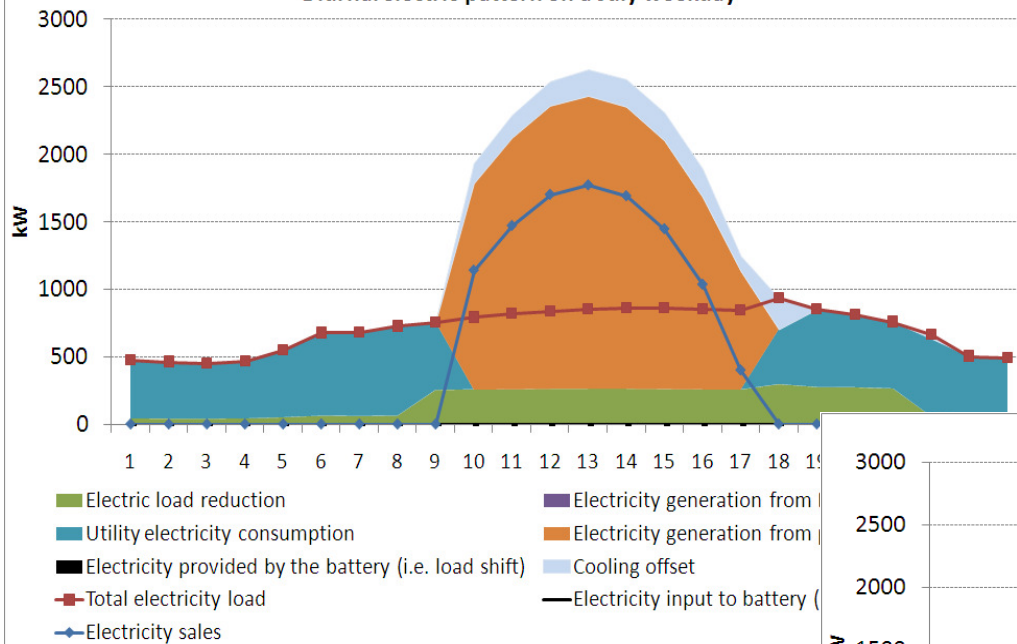
- strategy: cost minimizing
- total energy bill: +85% (increased compared to do-nothing)
- annual carbon emissions: -66% (compared to do-nothing)
- installed equipment:
 - 9897 kWh of heat storage
 - 238 kW of abs. chiller
 - 2408 kW of PV
 - 3952 kW of solar thermal
 - electricity sales = electricity purchase
 - used area constraint = 30 000 m² (total building floorspace)



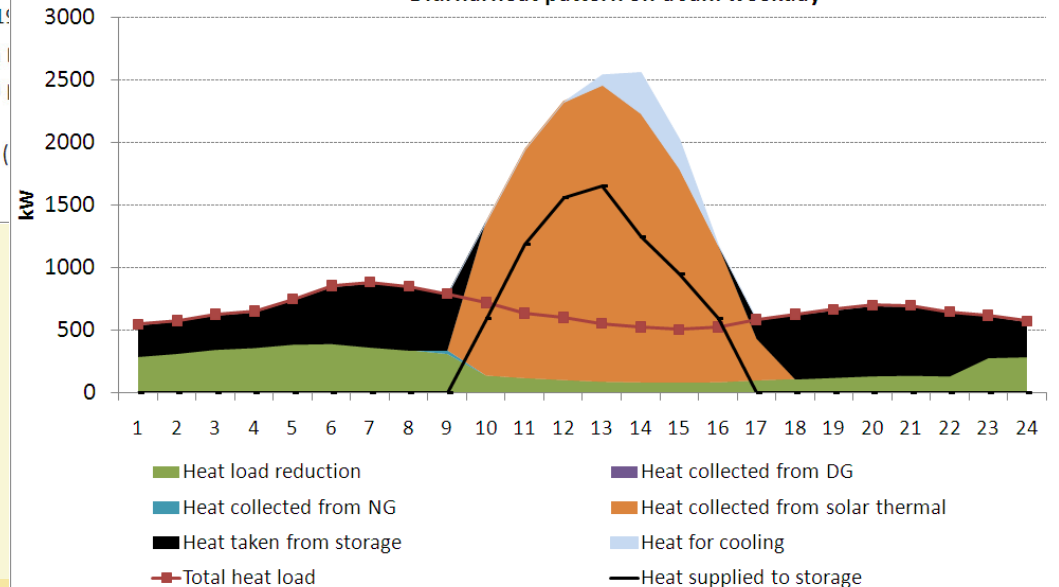
Energy Balances



Diurnal electric pattern on a July weekday

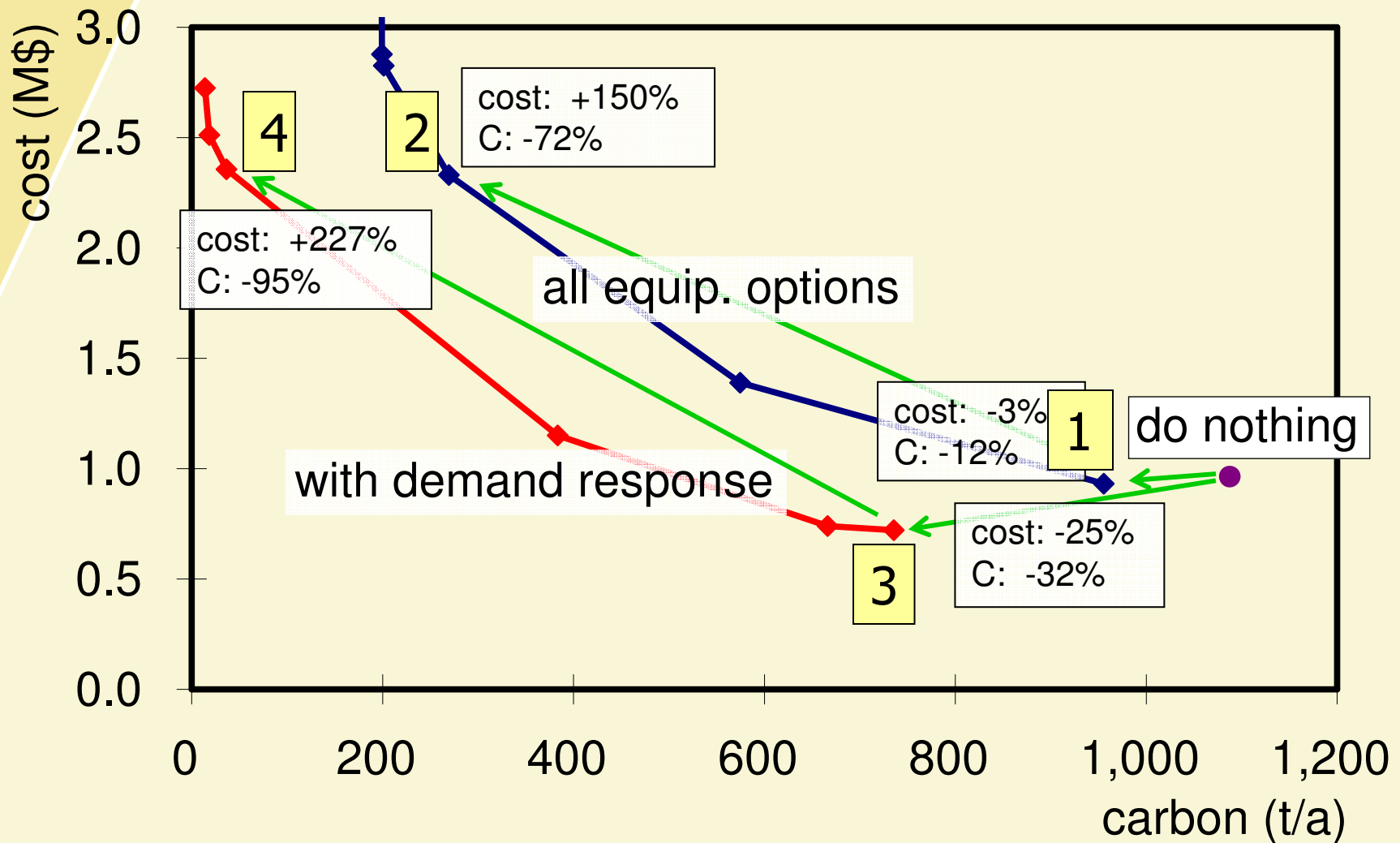
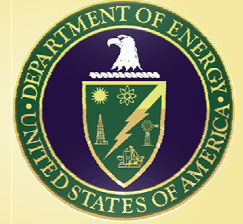


Diurnal heat pattern on a Jan. weekday



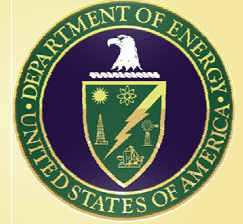


CA Nursing Home Multi-Objective Frontier





CA Nursing Home Multi-Objective Solution 1



- strategy: cost minimizing
- total energy bill: -3% (compared to do-nothing)
- annual carbon emissions: -12% (compared to do-nothing)
- installed equipment:
 - 300 kWh of CHP (3 × 100 kW Tecogen gensets)



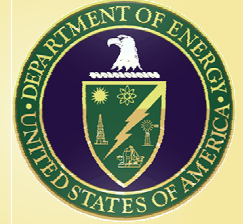
CA Nursing Home Multi-Objective Solution 2



- strategy: 60% of cost and 40% of carbon minimization
- total energy bill: +150% (increased compared to cost minimizing)
- annual carbon emissions: -72% (compared to cost minimizing)
- installed equipment:
 - 19689 kWh of heat storage
 - 250 kW absorption chiller
 - 2148 kW of PV
 - 5309 kW of solar thermal
 - 8843 kWh of electricity storage



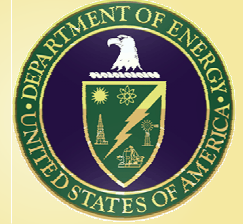
CA Nursing Home Multi-Objective Solution 3



- strategy: cost minimizing + demand response
- total energy bill: -25% (compared to do-nothing)
- annual carbon emissions: -32% (compared to do-nothing)
- installed equipment:
 - 300 kWh of CHP (3 × 100 kW Tecogen gensets)
 - demand response



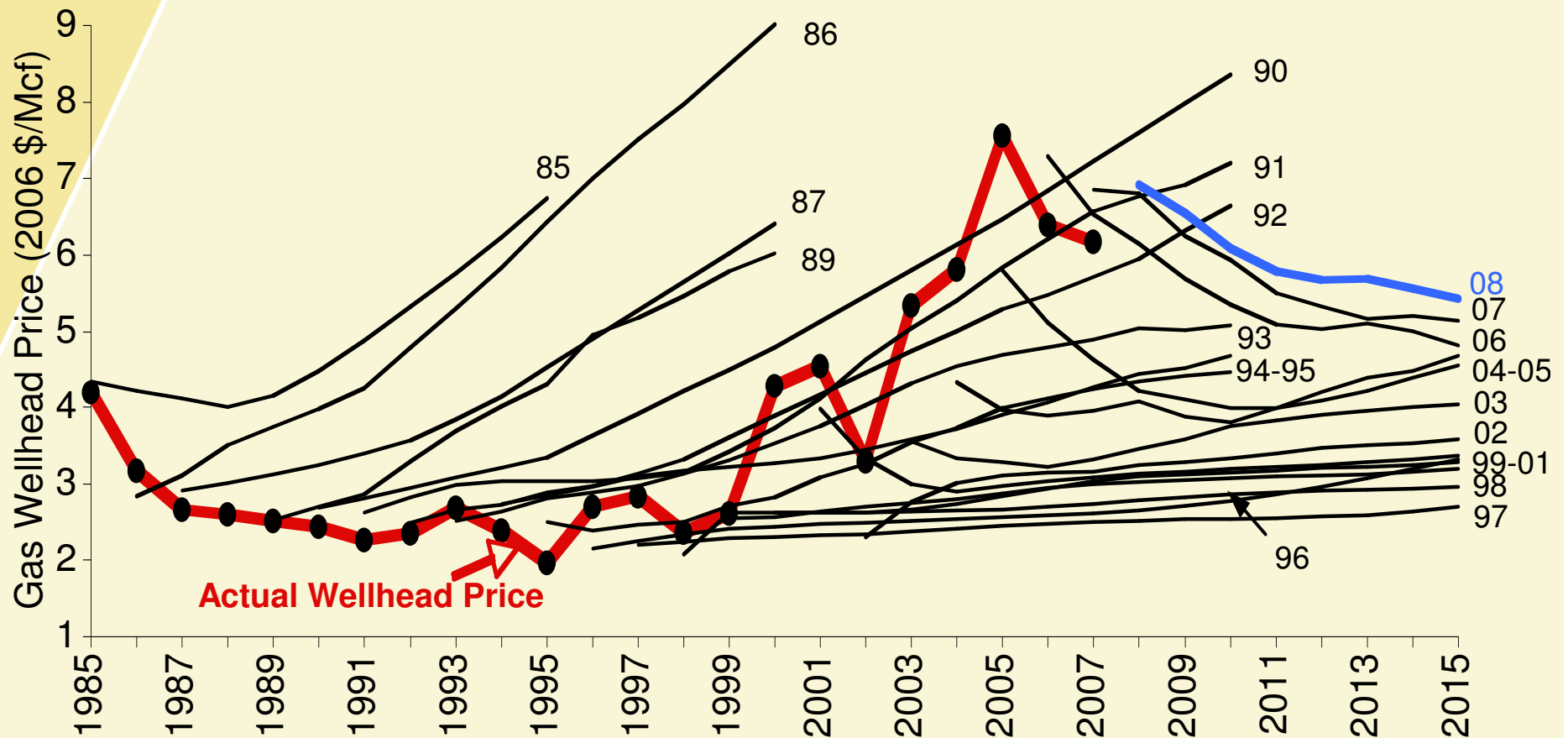
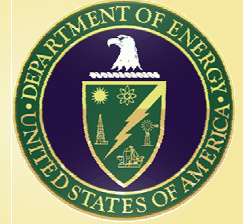
CA Nursing Home Multi-Objective Solution 4



- strategy: 40% of cost and 60% of carbon minimization
- total energy bill: +227% (increased compared to cost minimizing + demand response)
- annual carbon emissions: -95% (compared to cost minimizing + demand response)
- installed equipment:
 - 15225 kWh of heat storage
 - 207 kW of absorption chiller
 - 2423 kW of PV
 - 4255 kW of solar thermal
 - 11036 kWh of electric storage
 - demand response

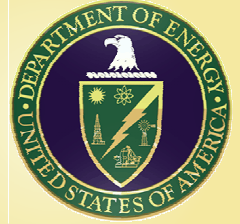


Forecast of NG Price





SEDS Objectives



build US energy forecasting model with:

- uncertainty, vision, simplicity, & transparency,
 - > uncertainty: build model on Analytica® platform
 - > vision: 2050 horizon, dramatic tech. & taste change
 - > simplicity: no equilibria or optimization (no iteration,)
 - > transparency: open source, consistent module format
- extremes of policy and outcomes needed
- enough prepackaged technical & budget detail
- ability to run in minutes



Buildings Lite Module

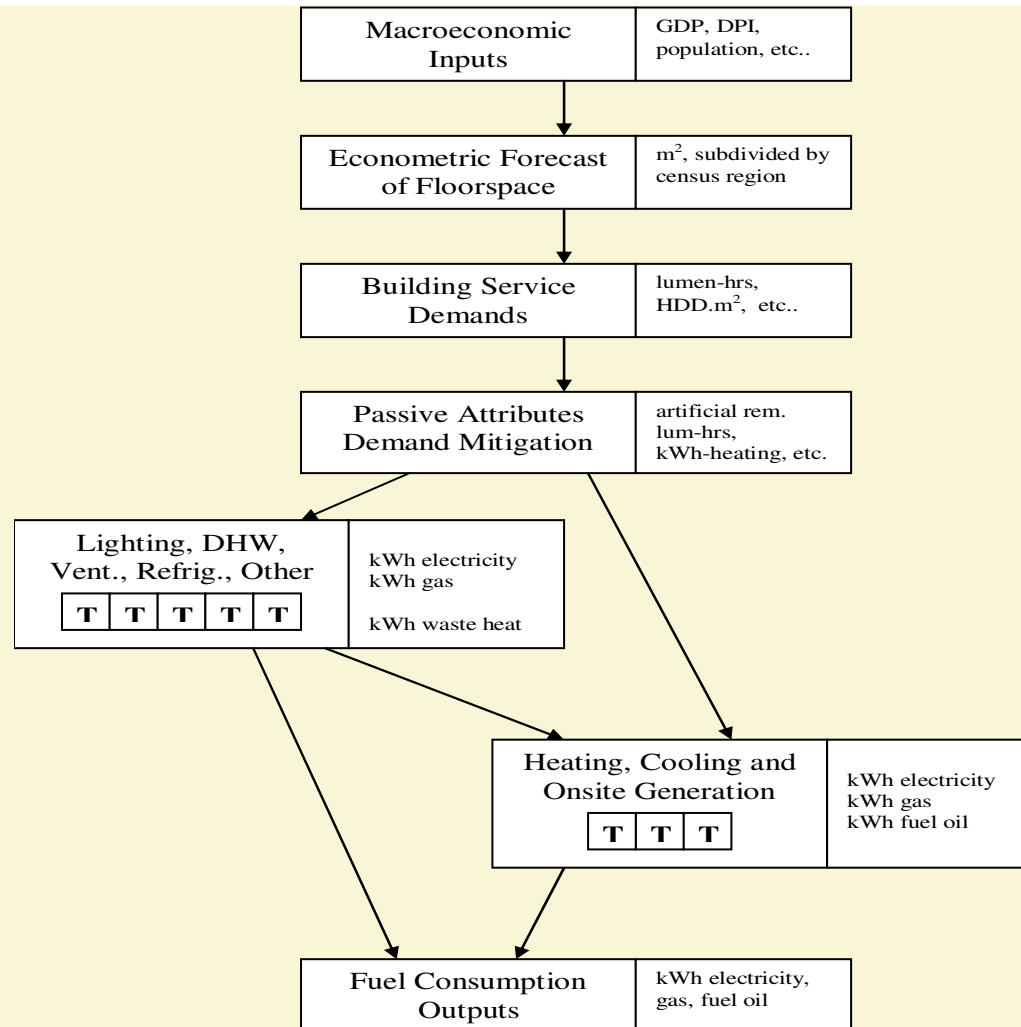


Berkeley Lab responsible for the buildings sector:

- covers both residential and commercial
- tracks building stock
- enables analysis of major buildings R&D programs
- uses expert elicitation of potential advances
- runs stand-alone or integrated
- applies systemic approach

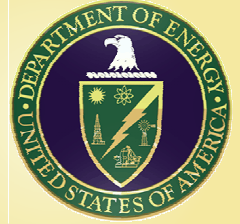


Module Logic Flow





Two Program Examples

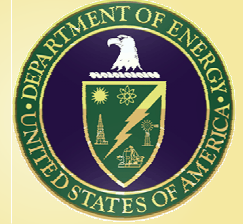


first cut photovoltaic and solid state lighting examples:

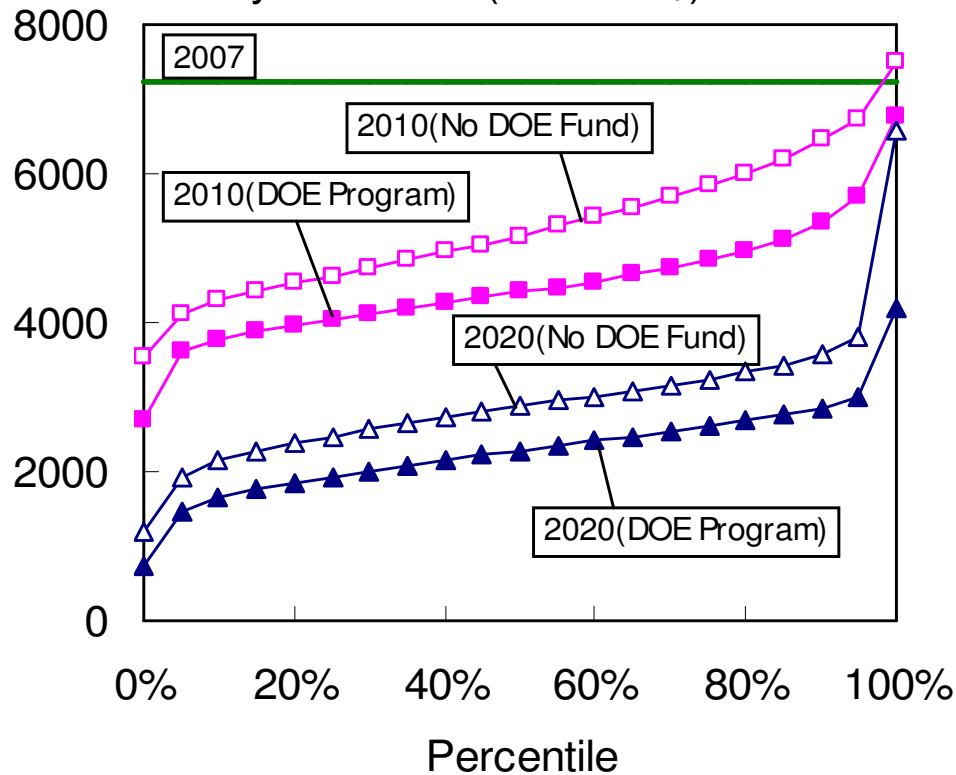
- uses stand-alone SEDS Buildings Lite Module (SBLM) for a ~ 30 -draw Monte Carlo analysis
- takes stochastic inputs for GDP, energy prices, & population
- applies PV/SSL performance forecast based on expert assessment
- implements expert elicitation of potential advances
- employs the systemic approach



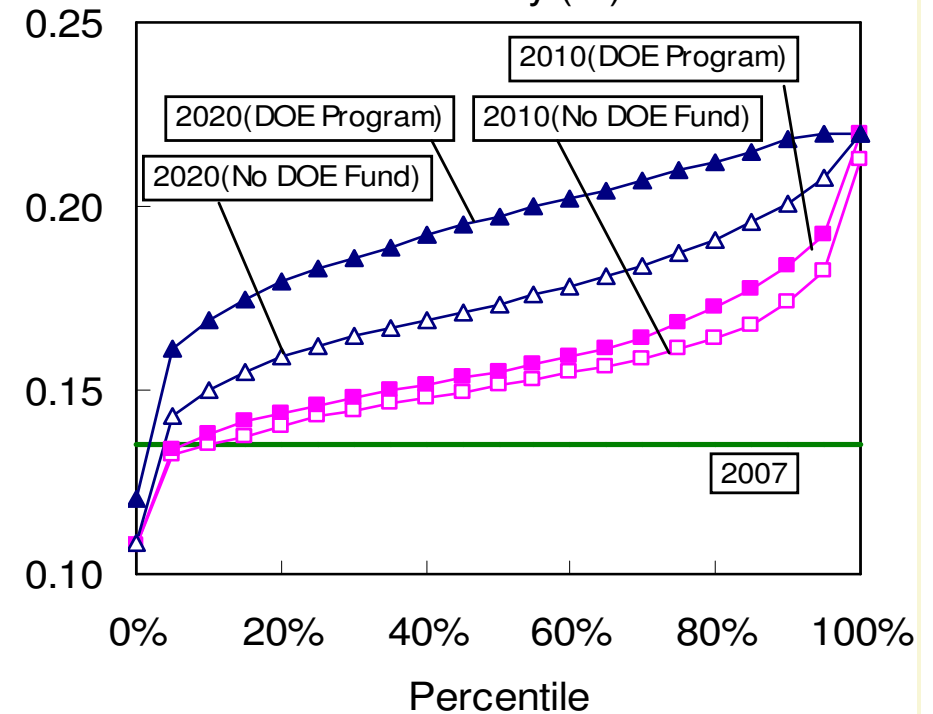
Expert Forecasts



PV System Cost (2005 US\$)

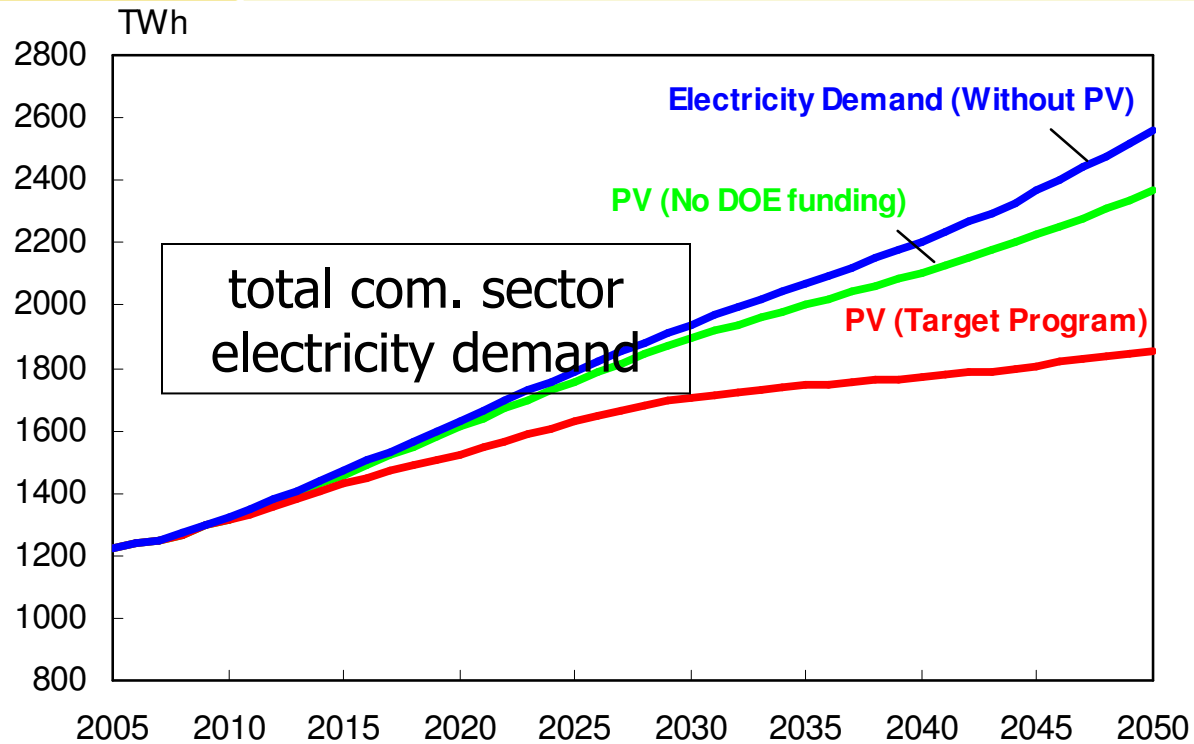
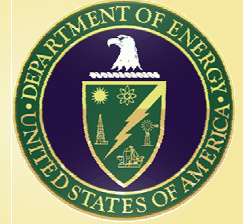


Conversion Efficiency (%)

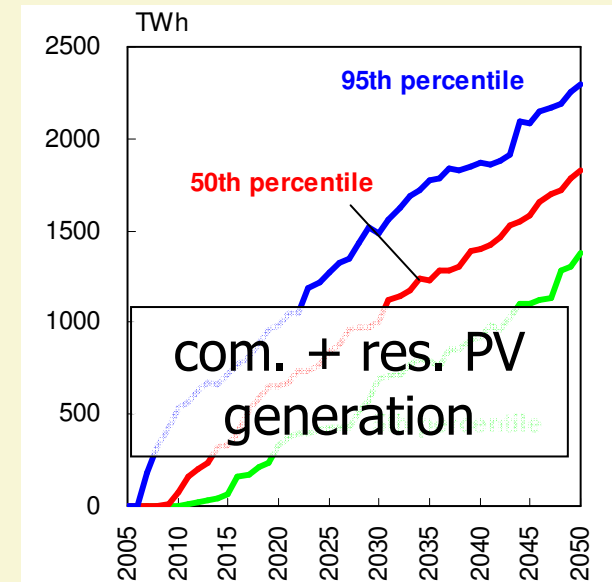




Effect on Demand



total 2050 buildings electricity from PV
 without DOE program: 11.7%
 with DOE program: 26.1%





Role of Logit Alpha



$$MS_{i,t} = \frac{v_{i,t}}{\sum_i v_{i,t}}$$

$$v_{i,t} = \exp(-\alpha * LCOE_{i,t})$$

MS = Market share

$LCOE$ = levelized cost of energy (>0)

ν = utility

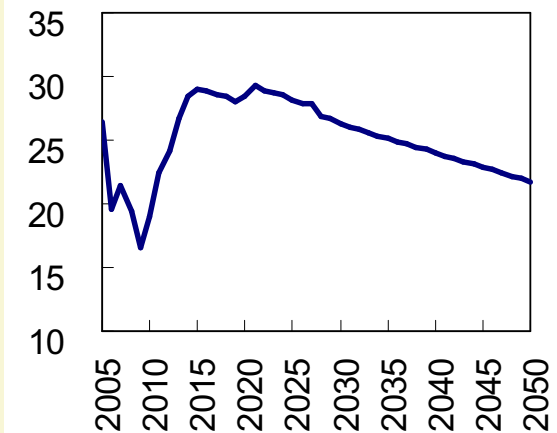
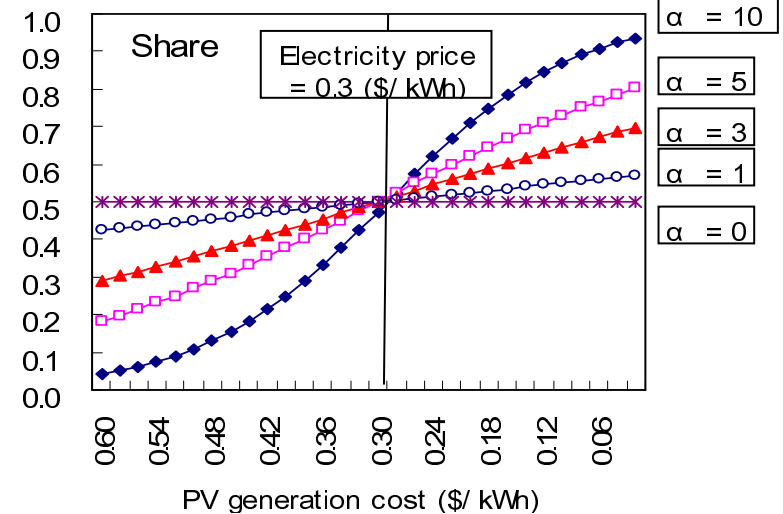
α = scaling factor

i = technology types

$i \in \{\text{utility electricity, PV gen.}\}$

t = time

$$\alpha = A + B * \text{electricity price}$$

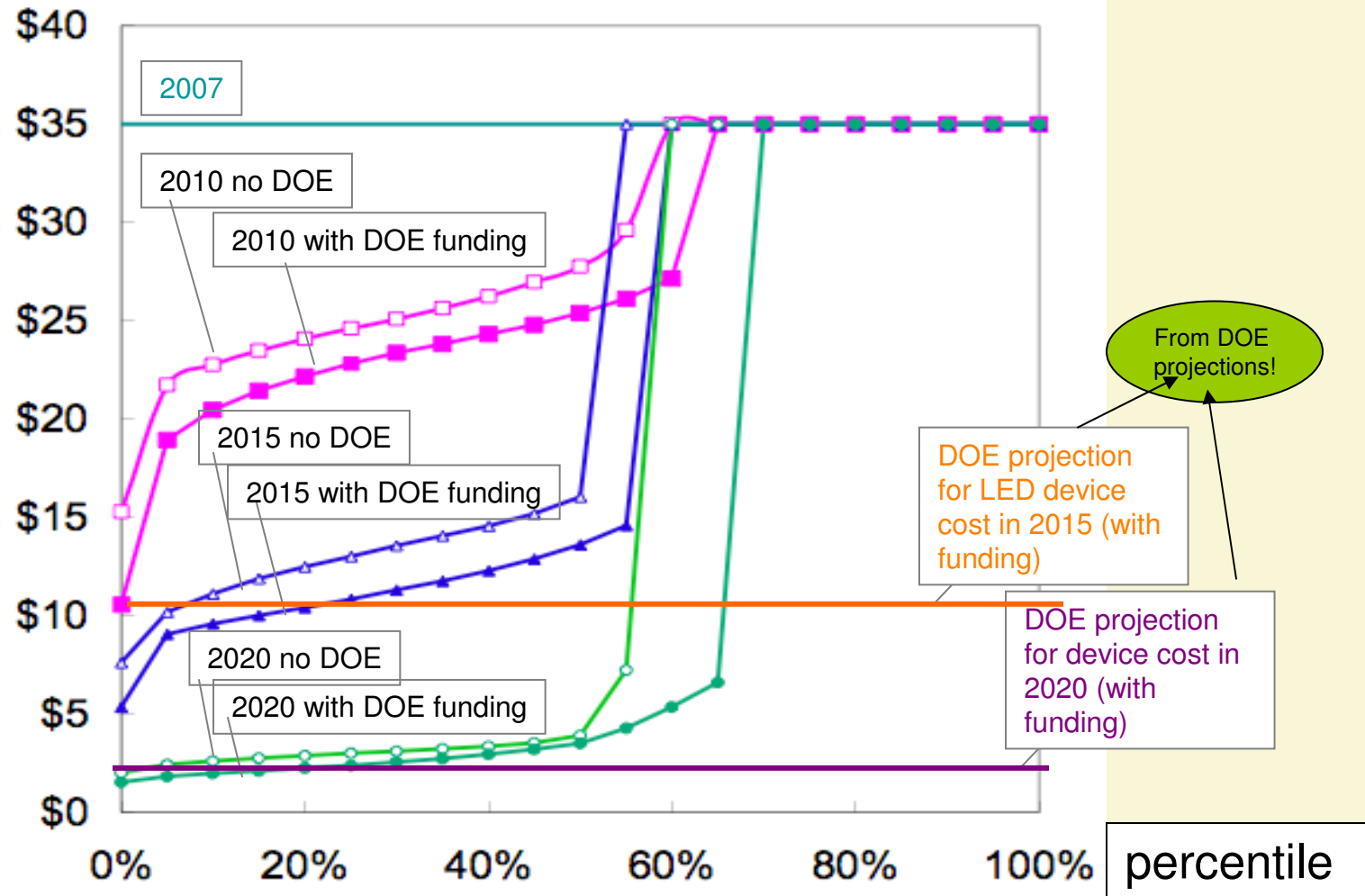




S.S. Lighting Example

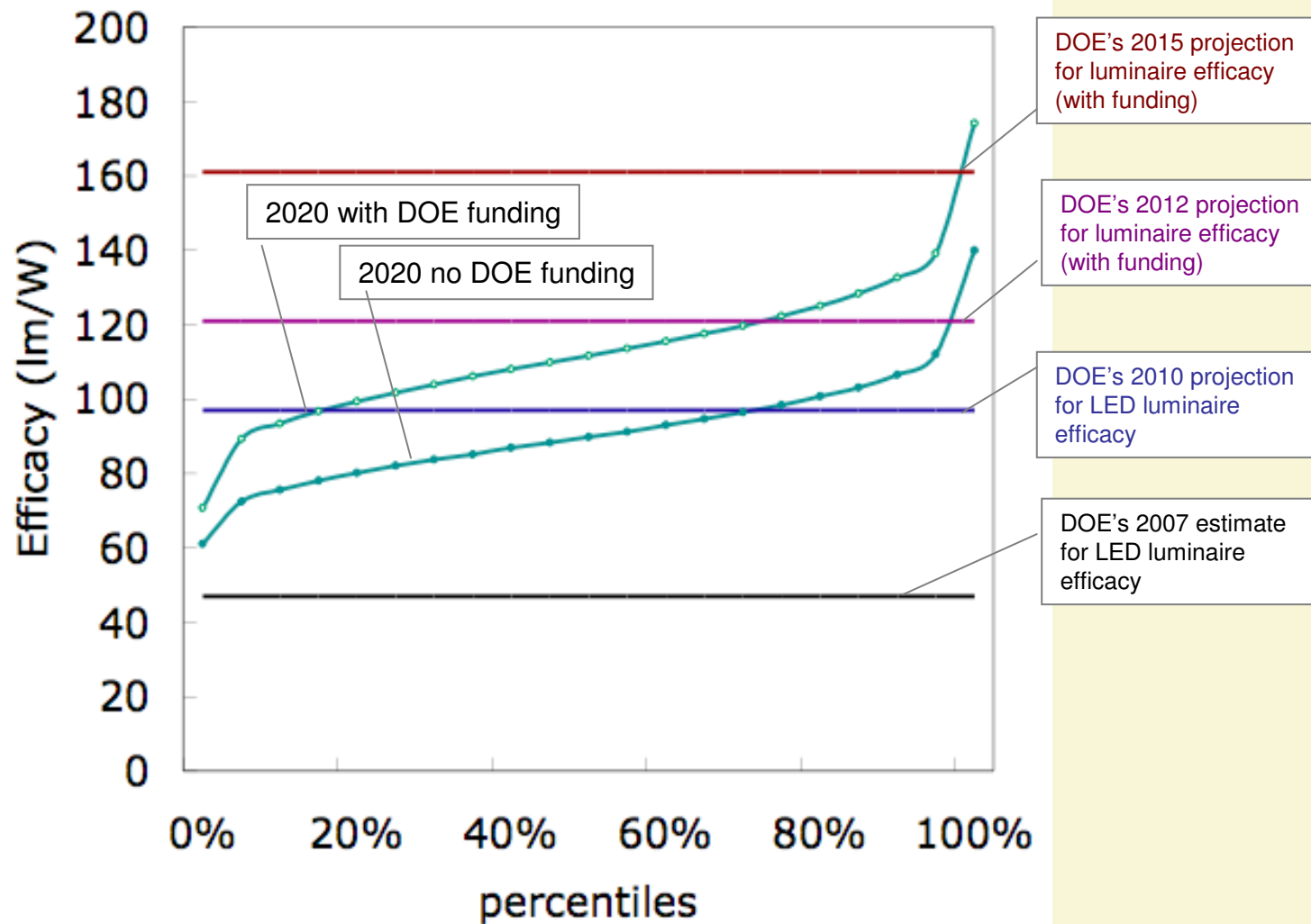


\$/klumen



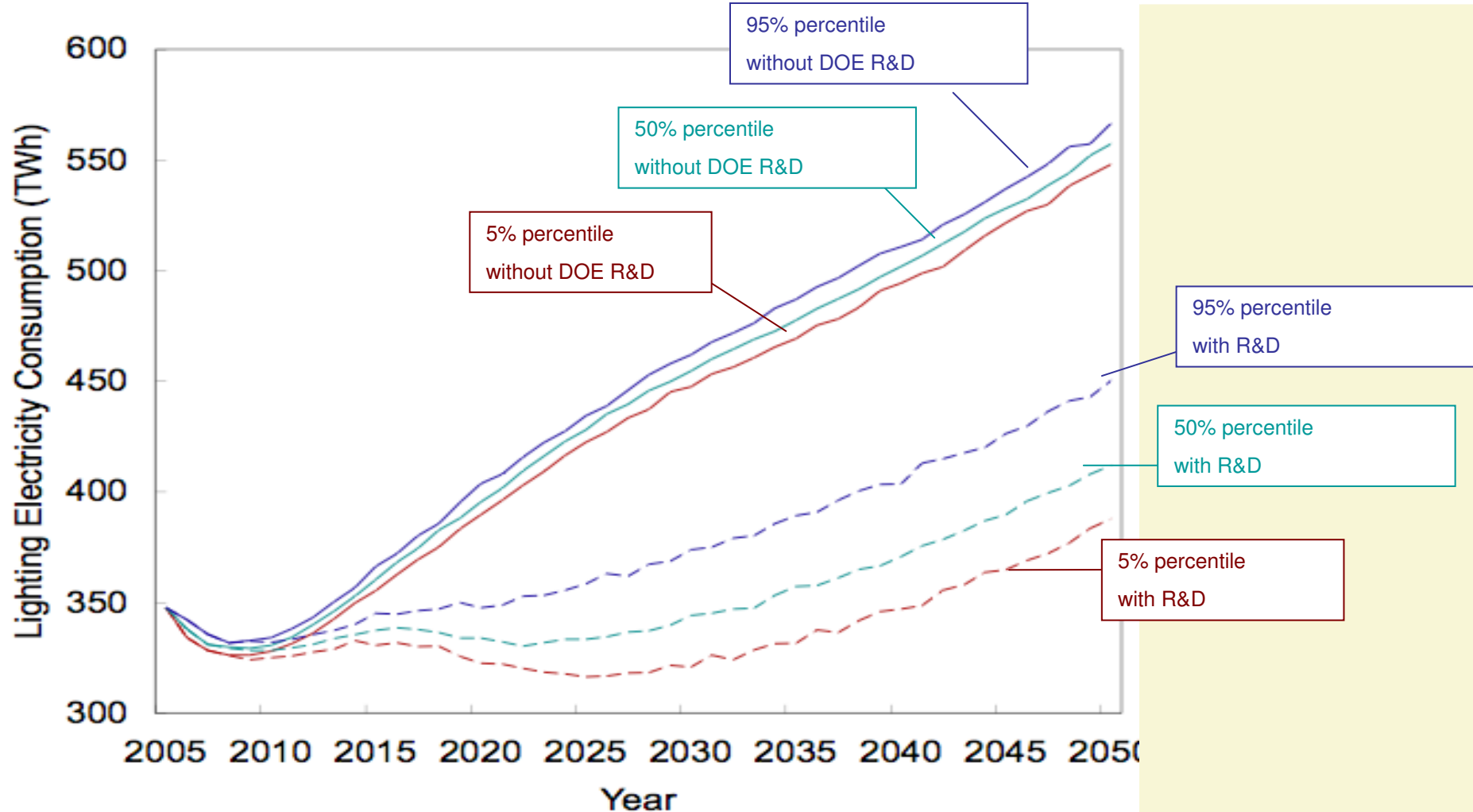
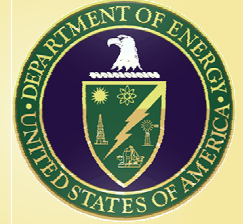


SSL Efficacy





Lighting Consumption





DER-CAM+SBLM Pubs.



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- Hatzigargyriou, Nikos, Hiroshi Asano, Reza Iravani, and Chris Marnay. "Microgrids," *IEEE Power and Energy* magazine, vol 5(4), Jul-Aug 2007.
- Marnay, Chris, and Ryan Firestone. "Microgrids: An Emerging Paradigm for Meeting Building Electricity and Heat Requirements Efficiently and with Appropriate Energy Quality," Proceedings of the *European Council for an Energy Efficient Economy Summer Study Summer Study 2007*, La Colle sur Loup, France, 4-9 June 2007.
- Marnay, Chris, Hirsoshi Asano, Stavros Papathanassiou, and Goran Strbac. "Policy-making for Microgrids," *IEEE Power and Energy* magazine special issue on microgrids, vol 6(3), May-Jun 2008.
- Marnay, Chris, Michael Stadler, Sam Borgeson, Brian Coffey, Ryoichi Komiyama, and Judy Lai. "A Buildings Module for the Stochastic Energy Deployment System," Proceedings of the *ACEEE 2008 Summer Study on Energy Efficiency in Buildings*, August 17 – 22, 2008.
- Marnay, Chris, Giri Venkataramanan, Michael Stadler, Afzal Siddiqui, Ryan Firestone, and Bala Chandran. "Optimal Technology Selection and Operation of Microgrids in Commercial Buildings," *IEEE Transactions on Power Systems*, 10.1109/TPWRS.2008.922654, vol. 23(3), Aug 2008.
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- Siddiqui, Afzal, and Chris Marnay. "Operation of Distributed Generation Under Stochastic Prices," *Pacific Journal of Optimization*, vol. 3(3), Sep 2007.
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- Siddiqui, Afzal S and Karl M Maribu, "Investment and Upgrade in Distributed Generation under Uncertainty," *Energy Economics*, forthcoming.
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- Stadler, Michael, Chris Marnay, Afzal Siddiqui, Judy Lai, Brian Coffey, and Hirohisa Aki. *The Effects of Storage Technologies on Microgrid Viability: An Investigation for Commercial Buildings in California and New York States*, draft report, Oct 2008.
- Venkataramanan, Giri, and Chris Marnay. "A Larger Role for Microgrids," *IEEE Power and Energy* magazine special issue on microgrids, vol 6(3), May-Jun 2008.
- (all papers available at: <http://eetd.lbl.gov/ea/emp/> or <http://der.lbl.gov>)



Future Work



systemic approach applied in two distinct models:

- Distributed Energy Resources Customer Adoption Model
 - ready for prime time? rewrite, distribution, ...
 - passive and demand-side measures, better boxes
 - forecasting, financials, uncertainty, thermodynamics, mobile sources,
 - open source data base of tariffs, equip. perform., etc.
 - advanced financial methods, options, sequencing, ...
 - related studies: ZNEB (less silly), V2M, standard blgs.,
- Stochastic Energy Deployment System
 - extend to heavy Module (regions), ..., integration, etc.
 - windows, & ..